

## **News Release**

### **KENTUCKY BECOMES 22nd STATE TO JOIN COMPACT Provides streamlined insurance regulation, protects consumers**

FRANKFORT, Ky. (April 6, 2006) – Kentucky became the 22nd state to join the Interstate Insurance Product Regulation Compact when Governor Ernie Fletcher signed House Bill 112 into law earlier this week. The compact streamlines the regulatory process, creating uniformity among states. Twenty-six states are needed to make the compact operational.

The compact creates a multi-state public entity that allows states to pool their expertise to receive and quickly make regulatory decisions on certain product filings according to uniform national product standards created by compacting states. The covered products include life insurance, annuities, disability income insurance, and long-term care insurance. Once operational, the compact's goal is to make the state system more efficient and enhance policyholder protection, while providing insurance companies with uniformity and a central point of filing to compete more effectively in the modern financial marketplace.

"The compact is a top priority of the National Association of Insurance Commissioners and is something we were eager to join," said Glenn Jennings, executive director of the Kentucky Office of Insurance. "We are confident this will be positive for the insurers doing business in Kentucky, as well as for consumers. We applaud the Legislature and Governor Fletcher for their support of this important legislation. We offer particular thanks to Representative Robert Damron, the bill's sponsor, who serves in a leadership role for the National Conference of Insurance Legislators, a group that also endorsed the compact concept."

Jennings added that passage during the 2006 General Assembly ensures Kentucky a spot at the table during implementation of the compact.